

Town of Lunenburg

Finance Committee:
Mark Erickson, Chairman
Brian Laffond, Vice-Chairman
Terri Burchfield, Co-Secretary
Jason Smith, Co-Secretary
John Male
Scott Gile
Steven Raboin



Mark Erickson
10/11/12

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Lunenburg Finance Committee Public Hearing/Meeting Minutes 9/20/2012

Location: Town Hall
Present: M.Erickson, J.Male, S.Gile, J.Smith, S.Raboin, T.Burchfield

1. Public Hearing called to order at 7:00 PM.
2. Warrant Articles were addressed, with Articles 1, 2 and 3 being passed by until later in the hearing. Article 4 was presented for discussion and several members of the community spoke on behalf of the library in support of the article and offered justifications for it being approved. One member of the library board presented the article and explained the reasons they were going to need to apply for a waiver for state aid. It was basically because they had a substantial cut to their budget and they stated that because it was more than 10% and because it was disproportional to previous year decreases, they would have to complete a calculation spreadsheet and make a presentation to the state in Boston to fight their case in having a waiver for state aid approved. Those supporting the article for the library also stated that if they lose their credentialing it could take more than 2 years for them to get it back and that they were facing an October 12 deadline to make application. The article has been presented as a means of them not having to apply for the waiver at all, because as it is presented, they would be getting restored to full funding of their budget as it was presented before the last Town Meeting. Another person speaking on behalf of the library stated that their library board as well as the town would have to write letters supporting the waiver if they are to apply for it. J.M from the FINCOM asked those presenting for the library why they say they had been cut disproportionately and for them to back up that statement. Discussion followed outlining the cuts they had previously had levied against their budget and explained that it was an amount larger than in previous years that was forcing them to face applying for this waiver. J.M of the FINCOM asked those presenting for the library what figure would they need to receive in order for them to be favorably considered for the waiver and place them at less than a 10 percent cut that seemed to be the magic number they were concerned about overcoming. The response was that they did not have that figure and they would need the Town financial staff to complete a worksheet that would give them that number. The Town Manager was called upon to bring clarity to a 123 thousand dollar increase in our state aid figure above what had been originally forecast. She explained how that figure was arrived at and what expenditures we would need to use it to cover if there is a change in school enrollment over and above what was forecast and her resistance to commit any of those funds to any project or cause at this point. She validated that concern by citing the last 5 year history of tuition assessments and variances that we had to cover as a town. A member of the community rose to ask where the money had come from previously to cover those overages. The Town Accountant answered that those costs had been covered by unexpended funds. A trustee of the library stepped forward to state that they would need to receive an additional \$35,598.00 in funding, per the warrant article, to avoid seeking a waiver. M.E. polled the FINCOM to see if there was a motion for a recommendation regarding article 4 of the Special Town Meeting Warrant. Motion made by J.M to Not Support the article at all. There was no second to the motion. T.B. made a motion that we table the matter until our meeting on Tuesday 9/25/2012 for a vote. 5 yes-1 abstained. Motion carried.
3. It was determined that Article 5 on the Special Town Meeting Warrant did not present any financial impact to the town. Town Manager agreed.
4. Articles 1-3 were presented by the chair of the BOS. He explained the reason why we currently do not have any financial information on these articles. He stated that waiting on these has been in the best interest of the town financially. He delivered a recap of the history behind these articles and stated that the potential financial impact for the town lies somewhere between 140-180 thousand dollars or approximately 3.6-8.4 million over the next 20 years.

He stated that we are still not sure about the PILOT proposals and any financial impact they might bring. S.G of the FINCOM asked the chair of the BOS if any of the property in question for these projects was going to be subject to removal from the state cherry sheets and if we would be losing out on any monies in that regard. The chair of the BOS replied that the property valuations of the properties in question were minimal in comparison to the potential income from the PILOT or net metering agreements in consideration. J.M. asked who the owner will be, or if under the PILOT if tax revenues would be lost in the development and the land it sits on. The answer was yes, there would be a forfeiture of tax revenues under the PILOTS and that this was all still a part of the negotiations under the net metering agreements. There were items in all of the proposals that would address this and offset it to some degree.

M.E. recommended that we table all of the first three articles for a decision until our meeting on Tuesday 9/25/2012.

5. The Public hearing was closed at 8:05 PM. The balance of the FINCOM meeting continued.
6. Our regular meeting agenda was started with Public Comment. D. Passios came forward to ask a question. The question was regarding where funds came from to purchase electronic equipment that was subsequently sold by the school. Was it capital funds that it was purchased through? If so, monies from the sale of that equipment cannot be used for funding operations. M.E. responded to the question reiterating previous discussion on this matter and further stating that accounting is available to support the actions taken by the school in this matter.
7. Communications: Financial Briefs from Power and Sullivan were available if anyone wanted to read over them. Also received was an announcement of the Annual Association of Town Finance Committees meeting.
8. Minutes of our last meeting dated 9/13/2012 were presented for approval. S.G motioned for approval. S.R. seconded. 6-0 approved.
9. Budget Opportunities: None.
10. Future Agenda: Meeting at Lunenburg High School on 9/25/2012 @6PM with the BOS, followed by a FINCOM meeting to be held at the same location at 6:30PM. We are also to expect numbers pertaining to the Sewer costs to the town as requested by J.M. from the Town Manager at our meeting on 10/11/2012.
11. Motion to adjourn by S.G., seconded by S.R. Adjourned at 8:15PM.